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### **European Union**

#### Wine

## **EU Wine Labeling - Amended Rules**

#### 2004

#### Approved by:

Christine Strossman U.S. Mission to the European Union, Brussels

#### Prepared by:

Hilde Brans

#### Report Highlights:

On February 23, 2004, the European Commission published a set of amendments to the wine labeling regulation. In an effort to conform with its international commitments under the TRIPs Agreement, the EU has adopted new conditions for the use of traditional expressions on wine labels by third countries.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Brussels USEU [BE2] [E2]

#### **EU Wine Labeling: Amended Rules**

In May 2002, the European Commission adopted new rules for the labeling of wine (Commission Regulation 753/2002). These rules lay down what information must be shown on wine labels and regulates the use of certain optional terms such as productions methods, traditional expressions, names of the vineyard and vintage year. The new regulation also introduced arrangements for the protection of certain traditional expressions linked to an EU geographical origin, e.g. "ruby" for port from Portugal and reserved certain bottle types for certain types of wine. The new regulation was originally scheduled to enter into force on January 1, 2003, but was postponed until February 1, 2004, to allow third country wine producers to comply with the new EU wine labeling requirements.

In August 2002, the U.S. Government commented on the EU's notification of the new rules to the WTO (G/TBT/N/EEC/15). Comments related mainly to the provisions on geographical indications and traditional terms being in conflict with several articles of the TRIPs Agreement (Trade-Related Aspects of Intellectual Property Rights\*).

On February 23, 2004, the European Commission published a set of amendments (Commission Regulation 316/2004) to respond to a number of concerns raised by the U.S. and other non-EU wine-producing countries. In an effort to conform with its international commitments under the TRIPs Agreement, the EU has adopted new conditions for the use of traditional expressions on wine labels by third countries. Regulation 753/2002 established a system of two categories of traditional expressions to designate quality wines. The first category contained expressions that could be used by third countries under certain conditions while the second category included expressions exclusively reserved for EU wines. Regulation 316/2004 simplifies this system by merging the two categories into one single category and third countries will allowed to use them under very strict conditions.

Requests by third countries to use traditional expressions will be considered by the European Commission and the member states and the right of use will be granted if all the conditions are fulfilled. Third countries must prove that:

- the traditional expression in question is recognized by the relevant authorities within the third country in question
- the term to be protected is distinctive and/or already enjoys a reputation in the third country in question
- the term has been used for at least 10 years in the territory of the third country
- the third country rules concerning the term do not mislead the consumer

Additionally, only traditional expressions in the official language of the third country in question will be authorized. Traditional expressions in a language other than the third country's official language will only be allowed if the third country's national legislation provides for the foreign language and if it has been in use for over 25 years.

Regulation 316/2004 can be downloaded from the Internet at http://europa.eu.int/eurlex/pri/en/oj/dat/2004/I\_055/I\_05520040224en00160042.pdf.

The U.S. and other third countries are currently reviewing the amendments to the wine labeling regulation which were notified by the EU to the WTO on February 24, 2004 (G/TBT/N/EEC/57).

<sup>\*</sup> The WTO's Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPs) requires all WTO member to respect a comprehensive set of minimum standards of protection for intellectual property rights and covers their enforcement.

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#### **Related reports from USEU Brussels:**

Report Number	Title	Date Released
E23247	EU Wine Derogations Extended	12/18/2003
E23180	Wine – EU Import & Labeling Rules	9/24/2003
E23063	Wine – EU Subsidies	4/29/2003

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